

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

<div style="border: 1px solid black; padding: 2px; display: inline-block;">A</div>	
W-01303A Arizona American Water Company 19820 N 7th St., Suite 201 Phoenix, AZ 85024	SEWER

ANNUAL REPORT
RECEIVED

APR 15 2005
AZ Corporation Commission
Director Of Utilities

FOR YEAR ENDING

12 31 2004

FOR COMMISSION USE

Ann04

processed by:

scanned

COMPANY INFORMATION

Company Name (Business Name)		Arizona-American Water Company (Sewer)	
Mailing Address			
19820 N 7th St., Suite 201			
(Street)			
Phoenix	AZ	85024	
(City)	(State)	(Zip)	
(623) 445-2400	(623) 445-2451	N/A	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address			
Local Office Mailing Address			
19820 N 7th St., Suite 201			
(Street)			
Phoenix	AZ	85024	
(City)	(State)	(Zip)	
(623) 445-2400	(623) 445-2451	N/A	
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address			

MANAGEMENT INFORMATION

Management Contact:			
Brian K Biesemeyer		Network Manager	
(Name)		(Title)	
15626 N Del Webb Boulevard		Sun City	AZ 85351
(Street)		(City)	(State) (Zip)
(623) 974-2571	(623) 933-0032	N/A	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address			
On Site Manager:			
Brian K Biesemeyer		Network Manager	
(Name)		(Title)	
15626 N Del Webb Boulevard		Sun City	AZ 85351
(Street)		(City)	(State) (Zip)
(623) 974-2571	(623) 933-0032	N/A	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address			

Statutory Agent: <u>Corporate Service Company</u>			
(Name)			
East Osborn Road	Phoenix	AZ	85014
(Street)	(City)	(State)	(Zip)
(800) 927-9800	N/A	N/A	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Attorney: <u>Patricia A. Lyman</u>			
(Name)			
303 H Street, Suite 250	Chula Vista	CA	91910
(Street)	(City)	(State)	(Zip)
(619) 409-7723	N/A	N/A	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co Op (A) |
| <input type="checkbox"/> Receivership R | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|--|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input checked="" type="checkbox"/> MARICOPA | <input checked="" type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

Arizona-American Water Company (Sewer)

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization	126,451	0	126,451
352	Franchises	284,640	0	284,640
353	Land and Land Rights	908,722	0	908,722
354	Structures and Improvements	17,978,342	191,697	17,786,645
355	Power Generation Equipment			0
360	Collection Sewers - Force	4,577,142	42,819	4,534,323
361	Collection Sewers - Gravity	52,492,728	944,683	51,548,045
362	Special Collecting Structures	2,800,751	222,813	2,577,938
363	Services to Customers	8,600,685	160,448	8,440,238
364	Flow Measuring Devices	115,844	7,334	108,510
365	Flow Measuring Installations			0
370	Receiving Wells			0
371	Pumping Equip	2,190,510	59,977	2,130,534
380	Treatment and Disposal Equip.	45,226,157	1,731,524	43,494,633
381	Plant Sewer			0
382	Outfall Sewer Lines	113,432	5,189	108,242
389	Other Plant and Misc. Equipment	1,013,410	0	1,013,410
390	Office Furniture and Equipment	262,667	11,454	251,212
391	Transportation Equipment	237,063	54,354	182,710
392	Stores Equipment	11,270	404	10,866
393	Tools, Shop and Garage Equipment	204,805	12,737	192,067
394	Laboratory Equipment	93,155	3,277	89,878
395	Power Operated Equipment	883,882	21,925	861,957
396	Communication Equipment	1,691,618	67,689	1,623,930
397	Misc Equipment	90,124	4,296	85,828
398	Other Tangible Plant	982,313	0	982,313
	TOTALS	140,885,710	3,542,618	137,343,092

This amount goes on the Balance Sheet Acct. No. 108

Page 3

COMPANY NAME

Arizona-American Water Company (Sewer)

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization	126,451	*	0
352	Franchises	284,640	*	0
353	Land and Land Rights	908,722	*	0
354	Structures and Improvements	17,978,342	*	191,697
355	Power Generation Equipment		*	
360	Collection Sewers - Force	4,577,142	*	42,819
361	Collection Sewers - Gravity	52,492,728	*	944,683
362	Special Collecting Structures	2,800,751	*	222,813
363	Services to Customers	8,600,685	*	160,448
364	Flow Measuring Devices	115,844	*	7,334
365	Flow Measuring Installations		*	
370	Receiving Wells		*	
371	Pumping Equip	2,190,510	*	59,977
380	Treatment and Disposal Equip.	45,226,157	*	1,731,524
381	Plant Sewer		*	
382	Outfall Sewer Lines	113,432	*	5,189
389	Other Plant and Misc. Equipment	1,013,410	*	0
390	Office Furniture and Equipment	262,667	*	11,454
391	Transportation Equipment	237,063	*	54,354
392	Stores Equipment	11,270	*	404
393	Tools, Shop and Garage Equipment	204,805	*	12,737
394	Laboratory Equipment	93,155	*	3,277
395	Power Operated Equipment	883,882	*	21,925
396	Communication Equipment	1,691,618	*	67,689
397	Misc Equipment	90,124	*	4,296
398	Other Tangible Plant	982,313	*	0
	TOTALS	140,885,710	0	3,542,618

COMPANY NAME

Arizona-American Water Company (Sewer)

Depreciation Rates - Sewer

Acct. No.	DESCRIPTION	Sun City	Sun City West	Mohave	Havasu	Treat Co	Dist Co
351	Organization						
352	Franchises						
353	Land and Land Rights						
354.2	Structures and Improvements	2.50%	5.00%	3.28%			
354.5	Structures and Improvements	2.00%	1.67%			1.67%	
355	Power Generation Equipment						
360	Collection Sewers - Force	2.07%	2.07%	2.28%		2.04%	
361	Collection Sewers - Gravity	2.03%	2.04%	2.37%	2.04%	2.04%	2.04%
362	Special Collecting Structures	8.40%	8.40%	4.19%		8.40%	
363	Services to Customers	2.04%	2.04%	2.40%	2.04%	2.04%	2.04%
364	Flow Measuring Devices			5.42%		5.42%	5.42%
365	Flow Measuring Installations						
370	Receiving Wells						
371	Pumping Equipment	5.42%	5.42%	5.42%		5.42%	5.42%
380	Treatment and Disposal Equip.	2.00%	5.00%	5.27%		5.00%	
381	Plant Sewer						
382	Outfall Sewer Lines		5.00%				
389	Other Plant and Misc. Equipment						
390	Office Furniture and Equipment	4.59%	4.59%			4.59%	
391	Transportation Equipment	25.00%	25.00%				
392	Stores Equipment		3.91%				
393	Tools, Shop and Garage Equipment	4.47%	4.47%	15.62%			
394	Laboratory Equipment	3.71%	3.71%	3.13%		3.71%	
395	Power Operated Equipment		5.02%			5.88%	
396	Communication Equipment		10.30%			10.30%	0.30%
397	Miscellaneous Equipment	5.10%	5.10%				
398	Other Tangible Plant						

BALANCE SHEET (water and sewer)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$960,853	\$6,120,194
132	Special Deposits	4,071	4,071
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	3,229,367	2,502,379
146	Notes/Receivables from Associated Companies	172,736	148,284
151	Plant Material and Supplies	48,659	337,424
162	Prepayments	348,795	371,664
174	Miscellaneous Current and Accrued Assets	86,780,354	88,886,073
	TOTAL CURRENT AND ACCRUED ASSETS	\$91,544,836	\$98,370,090
	FIXED ASSETS		
101	Utility Plant in Service	\$414,388,418	\$463,803,922
103	Property Held for Future Use	138,682	138,682
105	Construction Work in Progress	14,075,593	22,709,998
108	Accumulated Depreciation - Utility Plant	-81,338,557	(93,569,772)
121	Non-Utility Property	174,070	160,579
122	Accumulated Depreciation - Non Utility	-49,427	(49,427)
	TOTAL FIXED ASSETS	\$347,388,779	\$393,193,982
	TOTAL ASSETS	\$438,933,615	\$491,564,072

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME	Arizona-American Water Company (Sewer)
---------------------	--

Breakdown of Certain Balance Sheet Accounts Between Water and Sewer

	FIXED ASSETS	Water	Sewer	Total
101	Utility Plant in Service	\$322,169,726	\$141,634,196	\$463,803,922
103	Property Held for Future Use	138,682	0	\$138,682
105	Construction Work in Progress	19,611,945	3,098,053	\$22,709,998
108	Accumulated Depreciation - Utility Plant	(62,948,944)	(30,620,828)	(93,569,772)
121	Non-Utility Property	160,579	0	\$160,579
122	Accumulated Depreciation - Non Utility	(49,427)	0	(49,427)
	TOTAL FIXED ASSETS	\$279,082,561	\$114,111,421	\$393,193,982

BALANCE SHEET (CONTINUED) (water and sewer)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$7,139,995	\$9,156,236
232	Notes Payable (Current Portion)	33,084	23,803
234	Notes/Accounts Payable to Associated Companies	16,082,110	1,386,386
235	Customer Deposits	309,082	53,134
236	Accrued Taxes	1,529,306	1,632,830
237	Accrued Interest	1,296,017	1,276,936
241	Miscellaneous Current and Accrued Liabilities	6,799,288	8,431,114
	TOTAL CURRENT LIABILITIES	\$33,188,882	\$21,960,439
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$173,792,930	\$198,772,252
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	0	0
252	Advances in Aid of Construction	102,201,525	131,427,883
255	Accumulated Deferred Investment Tax Credits	74,986	71,266
271	Contributions in Aid of Construction	14,003,667	20,762,038
272	Less: Amortization of Contributions	-3,626,067	(4,288,430)
281	Accumulated Deferred Income Tax	3,982,019	7,448,269
	TOTAL DEFERRED CREDITS	\$116,636,129	\$155,421,026
	TOTAL LIABILITIES	\$323,617,942	\$376,153,717
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$522,880	\$522,880
211	Other Paid In Capital	114,468,228	114,468,228
215	Retained Earnings	324,565	419,247
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$115,315,673	\$115,410,355
	TOTAL LIABILITIES AND CAPITAL	\$438,933,615	\$491,564,072

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
521	Flat Rate Revenues	\$13,123,587	\$12,878,278
522	Measured Revenues		
536	Other Wastewater Revenues	1,437,856	2,039,652
	TOTAL REVENUES	\$14,561,443	\$14,917,930
	OPERATING EXPENSES		
701	Salaries and Wages	\$696,765	744,710
710	Purchased Wasterwater Treatment		
711	Sludge Removal Expense	3,744,127	3,244,419
715	Purchased Power	490,727	417,654
716	Fuel for Power Production		
718	Chemicals	191,975	271,364
720	Materials and Supplies	157,915	181,323
731	Contractual Services - Professional	163,374	78,887
735	Contractual Services - Testing	38,103	48,374
740	Contractual Services - Other		
750	Rents	82,183	129,613
755	Insurance Expense	16,663	(10,942)
765	Regulatory Commission Expense - Rate Case		
775	Miscellaneous Expense	255,590	165,778
403	Depreciation Expense	2,418,238	3,537,128
408	Taxes Other Than Income	55,637	59,763
408.11	Property Taxes	482,443	524,088
409	Income Tax		0
	TOTAL OPERATING EXPENSES	\$8,793,740	\$9,392,161
	OPERATING INCOME/(LOSS)	\$5,767,703	\$5,525,769
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	538,867	212,329
	TOTAL OTHER INCOME/(EXPENSE)	\$538,867	\$212,329
	NET INCOME/(LOSS)	\$6,306,570	\$5,738,098

COMPANY NAME	Arizona-American Water Company (Sewer)
---------------------	---

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	N/A			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	<u>n/a</u>
Meter Deposits Refunded During the Test Year	<u>n/a</u>

COMPANY NAME

Arizona-American Water Company - Sun City (Sewer)

WATER COMPANY PLANT DESCRIPTION**TREATMENT FACILITY**

TYPE OF TREATMENT (Extended Aerations, Step Aerations, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	N/A
DESIGN CAPACITY OF PLANT (gallons Per Day)	N/A

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
Baptist Village L.S. 11577 W. Peoria Ave	2	7.5	100	1,700
Youngtown L.S. 11602 W. Peoria Ave	2	23	700	7,520
111th Ave L.S. 111th Avenue at Olive	2	3	160	1,000
Coyote Lakes L.S. 17280 N. 115th Ave	2	40	500	7,000
Citrus Point L.S. 16401 N 115th Ave	2	20	500	1,200
Paradise Resort L.S. 10950 W. Union Hills	2	7.5	700	7,900
Agua Fria Ranch L.S. 9901 N. Agua Fria Pkwy.	2	18	500	6,033

FORCE MAINS

Size	Material	Length (in feet)
4 inch	Various	2,983
6 inch	Various	2,037
8 inch	Various	12,302
10 inch	Various	10,362
12 inch	Various	10,410
TOTAL =		38,093

MANHOLES**CLEANOUTS**

Type	Quantity	Quantity
Standard	4497	753
Drop		

COMPANY NAME	Arizona-American Water Company - Sun City West (Sewer)
---------------------	--

WATER COMPANY PLANT DESCRIPTION

TREATMENT FACILITY

TYPE OF TREATMENT (Extended Aerations, Step Aerations, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Northwest Valley Regional Water Reclamation Facility (formerly Sun City West WRF) Activated sludge, BNR w/ DN filtration
DESIGN CAPACITY OF PLANT (gallons Per Day)	5,000,000

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity(gals)
Bell Rd. L. S. Bell Rd. & El Mirage	4	250	2,800	49,400

FORCE MAINS

Size	Material	Length (in feet)
18 inch	ACP	18,578

MANHOLES

CLEANOUTS

Type	Quantity	Quantity
Standard	2,636	410
Drop		

COMPANY NAME	Arizona-American Water Company - Treatco (Sewer)
---------------------	--

WATER COMPANY PLANT DESCRIPTION

TREATMENT FACILITY

TYPE OF TREATMENT (Extended Aerations, Step Aerations, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Extended aeration with anoxic zone and Zenon microfiltration system.
DESIGN CAPACITY OF PLANT (gallons Per Day)	3,000,000

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity(gals)
Influent Lift Station	4	30	2,932	9,700
Reject Water Lift Station	2	20	1,400	6,500

FORCE MAINS

Size	Material	Length (in feet)
4 inch	Various	1,385

MANHOLES

CLEANOUTS

Type	Quantity	Quantity
Standard	342	0
Drop		

COMPANY NAME

Arizona-American Water Company - Distco

WATER COMPANY PLANT DESCRIPTION**TREATMENT FACILITY**

TYPE OF TREATMENT (Extended Aerations, Step Aerations, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Russell Ranch Water Reclamation Facility: Activated Sludge, BNR Verrado Water Reclamation Facility: Activated Sludge, SBR, BNR	
DESIGN CAPACITY OF PLANT (Gallons Per Day)	Russell Ranch	60,000
(Gallons Per Day)	Verrado	450,000

NOTE: Anthem Treatment facilities listed under Treatco.

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
N. Agua Fria Lift Station #1 (Corte Bella)	2	35	1,760	69,526

FORCE MAINS

Size	Material	Length (in feet)
8 inch	Ductile Iron	5,251
18 inch	Ductile Iron	8,942

MANHOLES**CLEANOUTS**

Type	Quantity	Quantity
Standard	2,280	247
Drop		

COMPANY NAME	Arizona-American Water Company - Mohave (Sewer)
---------------------	---

WATER COMPANY PLANT DESCRIPTION

TREATMENT FACILITY

TYPE OF TREATMENT (Extended Aerations, Step Aerations, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Extended aeration, trickling filter
DESIGN CAPACITY OF PLANT	
gallons Per Day	112,000
gallons Per Day	250,000

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity(gals)
Mountain View Drive	2	7.5	114	2,100
Lago Cove	2	3	17	1,000

FORCE MAINS

Size	Material	Length (In feet)
4 inch	PVC	3,000

MANHOLES

CLEANOUTS

Type	Quantity	Quantity
Standard	365	14
Drop	2	

COMPANY NAME

Arizona American Water Company - Sun City (Sewer)

WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)**COLLECTION MAINS**

Size (in inches)	Material	Length (in feet)
4	Various	122
6	Various	9,795
8	Various	1,218,506
10	Various	68,459
12	Various	31,497
15	Various	16,282
18	Various	10,441
21	Various	8,053
24	Various	0
27	Various	1,310
30	Various	3,247
33	Various	839
36	Various	865
Undetermined	Various	59,851
TOTAL =		1,429,267

SERVICES

Size (in inches)	Material	Quantity
4	n/a	n/a
6	n/a	n/a
8	n/a	n/a
12	n/a	n/a
15	n/a	n/a

For the following three items, list the utility owned assets in each category.

SOLIDS PROCESSING AND HANDLING FACILITIES	N/A
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, etc.)	N/A
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, etc.)	N/A
STRUCTURES (Buildings, Fences Etc)	N/A
OTHER Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.	99th Avenue metering station, various tools and equipment associated with wastewater collection

COMPANY NAME

Arizona American Water Company - Sun City West (Sewer)

WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)**COLLECTION MAINS**

Size (in inches)	Material	Length (in feet)
4	Various	974
6	Various	1,841
8	Various	822,311
10	Various	24,566
12	Various	18,860
15	Various	20,090
18	Various	19,639
21	Various	5,934
24	Various	2,440
27	Various	0
30	Various	0
33	Various	0
36	Various	2,624
Undetermined	Various	2,149
TOTALS =		921,428

SERVICES

Size (in inches)	Material	Quantity
4	n/a	n/a
6	n/a	n/a
8	n/a	n/a
12	n/a	n/a
15	n/a	n/a

For the following three items, list the utility owned assets in each category.

SOLIDS PROCESSING AND HANDLING FACILITIES	(3) Aerobic Digesters, (2) 2M Belt Filter Presses
DISINFECTION EQUIPMENT Chlorinator, Ultra-Violet, Etc.)	Hypochlorite injection upstream of effluent EQ basin & at filter effluent.
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Rapid sand filter
STRUCTURES (Buildings, Fences, Etc.)	Admin/Maintenance/Control building, Solids handling building, Blower building at the treatment plant, VFD/Control Building at Bell Road Lift Station, MCC at the N. Agua Fria Lift Station #1 (Corte Bella)
OTHER Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.	Various tools and equipment associated with wastewater collection & treatment. (2) standby power generators @ 750 kW each.

COMPANY NAME

Arizona American Water Company - Treatco (Sewer)

WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)**COLLECTION MAINS**

Size (in inches)	Material	Length (in feet)
4	n/a	
6	n/a	
8	PVC	32,913
10	PVC	21,443
12	PVC	17,962
15	PVC	3,225
18	PVC	9,933
21	PVC	2,171
24	PVC	1,070
30	n/a	
Undetermined	PVC	11,644
	TOTAL	100,361

SERVICES

Size (in inches)	Material	Quantity
4	n/a	n/a
6	n/a	n/a
8	n/a	n/a
12	n/a	n/a
15	n/a	n/a

For the following three items, list the utility owned assets in each category.

SOLIDS PROCESSING AND HANDLING FACILITIES	One Belt filter press, 1.5 meter belt
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	Chlorine (NaOC1) injection with chlorine contact chamber
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Zenon Zee-Weed 500 microfiltration system
STRUCTURES (Buildings, Fences Etc)	Common administration building shared with water plant, headworks building, process building, solids building, perimeter wall. One 1,000,000 gallon non-potable/reclaimed water storage reservoir
OTHER Laboratory Equipment, Tools, Vehicles, Standby Power Generators, etc.	Various tools and equipment associated with wastewater treatment. One 2,000 kW generator.

COMPANY NAME

Arizona American Water Company - Distco

WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)

COLLECTION MAINS

Size (in inches)	Material	Length (in feet)
4	n/a	-
6	PVC	872
8	PVC	423,091
10	PVC	4,799
12	PVC	18,041
15	PVC	2,873
18	PVC	6,464
21	PVC	9,868
24	PVC	-
30	PVC	-
Undetermined	PVC	77,320
	TOTAL =	543,328

SERVICES

Size (in inches)	Material	Quantity
4	n/a	n/a
6	n/a	n/a
8	n/a	n/a
12	n/a	n/a
15	n/a	n/a

For the following three items, list the utility owned assets in each category.

SOLIDS PROCESSING AND HANDLING FACILITIES	(1) Aerobic Digester at the Russell Ranch WRF
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	Sodium Hypochlorite
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	N/A
STRUCTURES (Buildings, Fences Etc)	Storage shed at Russell Ranch WRF
OTHER Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.	Various tools and equipment associated with wastewater collection and treatment. (1) 275 kW Standby Power Generator at Russell Ranch WRF

COMPANY NAME	Arizona American Water Company - Mohave (Sewer)
---------------------	---

WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)

COLLECTION MAINS

Size (in inches)	Material	Length (in feet)
4	n/a	n/a
6	PVC	201
8	PVC	89,213
10	PVC	7,426
12	PVC	12,300
15	PVC	6,086
18	n/a	n/a
21	n/a	n/a
24	n/a	n/a
30	n/a	n/a

SERVICES

Size (in inches)	Material	Quantity
4	PVC	1,511
6	n/a	n/a
8	PVC	2
12	n/a	n/a
15	n/a	n/a

For the following three items, list the utility owned assets in each category.

SOLIDS PROCESSING AND HANDLING FACILITIES	N/A
DISINFECTION EQUIPMENT (chlorinator, Ultra-Violet, Etc.)	Chlorinator
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Slow sand filter
STRUCTURES (Buildings, Fences Etc)	600' chain link fence, building over aeration plant, blower building with lab
OTHER Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.	150 KW Cat gen-set, 24 hr tubidity meter, miscellaneous lab equipment

COMPANY NAME

Arizona American Water Company - Sun City (Sewer)

WASTEWATER FLOWS

MONTH/YEAR	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW (MG)	SEWAGE FLOW ON PEAK DAY (MG)
JANUARY	21,339	150.661	5.926
FEBRUARY	21,345	144.932	5.347
MARCH	21,342	145.722	5.405
APRIL	21,374	137.485	4.842
MAY	21,427	119.955	5.039
JUNE	21,463	119.105	5.025
JULY	21,490	129.178	5.029
AUGUST	21,507	129.288	5.028
SEPTEMBER	21,508	132.106	5.070
OCTOBER	21,604	138.451	8.061
NOVEMBER	21,605	139.295	5.193
DECEMBER	21,604	137.430	5.138
TOTALS =		1,623.608	65.103

PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	N/A
Wastewater Inventory Number (all wastewater systems are assigned an inventory number)	100339
Groundwater Permit Numbers	N/A
ADEQ Aquifer Protection Permit Number	N/A
ADEQ Reuse Permit Number	N/A
EPA NPDES Permit Number	N/A

COMPANY NAME

Arizona American Water Company - Sun City West (Sewer)

WASTEWATER FLOWS

MONTH/YEAR	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW (MG)	SEWAGE FLOW ON PEAK DAY (MG)
JANUARY	14,944	76.037	3.040
FEBRUARY	14,942	78.683	3.037
MARCH	14,938	85.671	3.109
APRIL	14,919	78.034	3.008
MAY	14,906	69.803	2.670
JUNE	14,904	61.580	2.305
JULY	14,898	62.798	2.258
AUGUST	14,900	62.981	2.280
SEPTEMBER	14,902	64.799	2.412
OCTOBER	14,918	72.692	2.753
NOVEMBER	14,934	77.637	2.857
DECEMBER	14,936	77.681	2.804
TOTALS =		868.396	32.533

PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Ground Water Recharge
Wastewater Inventory Number (all wastewater systems are assigned an inventory number)	102667
Groundwater Permit Numbers	N/A
ADEQ Aquifer Protection Permit Number	P-102667
ADEQ Reuse Permit Number	N/A
EPA NPDES Permit Number	N/A

COMPANY NAME

Arizona American Water Company - Treat Co (Sewer)

WASTEWATER FLOWS

MONTH/YEAR	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW (MG)	SEWAGE FLOW ON PEAK DAY (MG)
JANUARY	7	30.450	1.180
FEBRUARY	7	28.852	1.136
MARCH	9	30.332	1.205
APRIL	9	30.956	1.425
MAY	9	31.094	1.739
JUNE	9	26.895	1.379
JULY	9	27.114	1.119
AUGUST	7	30.419	1.363
SEPTEMBER	7	30.658	1.330
OCTOBER	7	31.509	1.301
NOVEMBER	8	33.004	1.609
DECEMBER	8	34.536	1.617
TOTALS =		365.819	16.403

PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Reuse and recharge
Wastewater Inventory Number (all wastewater systems are assigned an inventory number)	103259
Groundwater Permit Numbers	N/A
ADEQ Aquifer Protection Permit Number	P-103259
ADEQ Reuse Permit Number	R-103259
EPA NPDES Permit Number	N/A

COMPANY NAME

Arizona American Water Company - Distco

WASTEWATER FLOWS

MONTH/YEAR	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW (MG)~	SEWAGE FLOW ON PEAK DAY (MG)
JANUARY	5,092	30.518	1.180
FEBRUARY	5,170	28.957	1.136
MARCH	5,405	30.461	1.205
APRIL	5,625	31.119	1.425
MAY	6,209	31.271	1.739
JUNE	6,605	27.165	1.379
JULY	6,883	27.576	1.119
AUGUST	7,147	30.816	1.363
SEPTEMBER	7,392	30.857	1.330
OCTOBER	7,585	32.515	1.301
NOVEMBER	7,662	34.044	1.609
DECEMBER	7,742	35.626	1.617
TOTALS =		370.925	16.403

~Flows include Anthem flows to Treatco.

PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Reuse and recharge
Wastewater Inventory Number (all wastewater systems are assigned an inventory number)	103259 105202
Groundwater Permit Numbers	N/A
ADEQ Aquifer Protection Permit Number Verrado Russell Ranch	P-105202 P-105229
ADEQ Reuse Permit Number	R-105583
EPA NPDES Permit Number	N/A

COMPANY NAME

Arizona American Water Company - Mohave (Sewer)

WASTEWATER FLOWS

MONTH/YEAR	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW	SEWAGE FLOW ON PEAK DAY
JANUARY	669	3.482	0.150
FEBRUARY	695	3.592	0.148
MARCH	707	3.632	0.161
APRIL	702	3.565	0.164
MAY	693	3.319	0.129
JUNE	718	3.271	0.129
JULY	725	3.453	0.167
AUGUST	748	3.558	0.137
SEPTEMBER	750	3.392	0.131
OCTOBER	753	3.805	0.146
NOVEMBER	767	4.148	0.196
DECEMBER	775	4.283	0.162
TOTAL		43.500	1.819

PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Re-use/ Evap. Ponds
Wastewater Inventory Number (all wastewater systems are assigned an inventory number)	38-158
Groundwater Permit Numbers	N/A
ADEQ Aquifer Protection Permit Number	P102181 P105010
ADEQ Reuse Permit Number	R102181
EPA NPDES Permit Number	N/A

STATISTICAL INFORMATION

Total number of customers	44,290	
Total number of gallons treated	3228.748	Million gallons

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2004 was: \$483,833.80

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME

ARIZONA-AMERICAN WATER COMPANY

YEAR ENDING 12/31/2002

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported n/aEstimated or Actual Federal Tax Liability n/aState Taxable Income Reported n/aEstimated or Actual State Tax Liability n/a

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances n/aAmount of Gross-Up Tax Collected n/aTotal Grossed-Up Contributions/Advances n/a

Decision No. 55774 states , in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member if a limited liability company or the sole proprietor, if a sole proprietorship.

N/A

SIGNATURE

DATEN/A

PRINTED NAME

TITLE

RECEIVED

VERIFICATION
AND
SWORN STATEMENT

APR 15 2005

Intrastate Revenues Only

AZ Corporation Commission
Director Of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)

Maricopa

NAME (OWNER OR OFFICIAL) TITLE

Joseph D Harris, Asst. Treasurer

COMPANY NAME

Arizona American Water Company

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH

12

DAY

31

YEAR

2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 14,561,443

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 0.00

IN SALES TAXES BILLED, OR COLLECTED

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

Joseph D Harris
SIGNATURE OF OWNER OR OFFICIAL

623 - 445 - 2430

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

12

DAY OF



COUNTY NAME MARICOPA
MONTH Apr YEAR 2005

Amy K. Yates
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES MAY 15, 2006

VERIFICATION
AND
SWORN STATEMENT

RECEIVED

APR 15 2005

AZ Corporation Commission
Director Of Utilities

RESIDENTIAL REVENUE
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)

Maricopa

NAME (OWNER OR OFFICIAL)

Joseph D Harris,

TITLE

Asst. Treasurer

COMPANY NAME

Arizona American Water Company

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH

12

DAY

31

YEAR

2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS,
PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED
THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT
STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD
COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING
SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01
ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS
OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS
RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

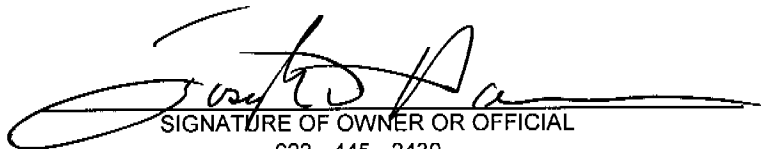
\$ 10,271,243

(THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 0.00

IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL

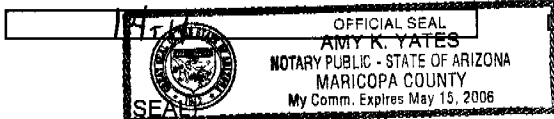
623 - 445 - 2430

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



NOTARY PUBLIC NAME Amy K. Yates
COUNTY NAME Maricopa
MONTH April 2005


SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES May 15, 2006